

**GOVERNMENT OF INDIA
DEPARTMENT OF COMMERCE
DIRECTORATE GENERAL OF FOREIGN TRADE**

POLICY CIRCULAR NO. 40/2009-14

DATED: 16th July 2010

To

**All Regional Authorities
All Customs Authorities
FIEO and All EPCs**

Sub: Declaration of Intent for claiming benefits of various schemes under Chapter 3 of FTP 2009-14 and mentioning of ITC [HS] Codes on Shipping Bills, mandatory requirements thereof.

In order to operationalising EDI Message Exchange of Chapter 3 Reward Schemes of FTP with Customs Database, a meeting was held under the Chairmanship of DGFT on 21.5.2010. In terms of the decision taken therein, it has been decided that:

- a) Attention is invited to Public Notice No. 82/2009-14 dated 16.7.2010. For export of goods exported from 1st January 2011 onwards, the Declaration of Intent for Claiming the benefits under Chapter 3 of FTP, in terms of Para 3.11.8 of FTP 2009-14 as amended by Public Notice No. 82/2009-14 dated 16.7.2010, has been made mandatory for all types of shipments seeking to claim the benefits of Chapter 3 reward schemes.
- b) It has further been decided that exporter shall mandatorily mention the 8 digit ITC (HS) code on the Shipping Bill. Moreover, where 8 digit ITC (HS) code for the export product / category is not specified in the Chapter 3 scheme related Appendices, the applicable entry of the intended reward scheme should be mentioned on the Shipping Bill.
- c) The EDI Software of Customs (ICEGATE) is being modified from the present system of categorizing shipments as "NO EXPORT INCENTIVE" (in case the export is not under Chapter 4 or 5 of FTP, i.e. DBK, DFIA, AA, DEPB and/or EPCG Schemes) to merely clicking "YES" in the relevant place to enable the exporters to declare their intent in the Shipping Bills. The exporters may, however, declare the intent anywhere in the Shipping Bill till such time the ICEGATE software is modified.

2. EPCs should make special efforts to educate the Trade and Industry in general and exporting community in particular with respect of this change regarding the requirement of '*declaration of intent*' even for all types of shipments including those under Advance Authorisation, DEPB, Drawback, EPCG, DFIA etc. and the '*mandatory requirement of mentioning the 8 digit ITC HS Code on the Shipping Bill*'.

This issues with the approval of DGFT.

Sd/-
[Anil Kumar Singh]
Joint Director General of Foreign Trade

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PART-1 SECTION-1

**GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT OF COMMERCE
DIRECTORATE GENERAL OF FOREIGN TRADE**

PUBLIC NOTICE NO. 82/2009-14

DATED: 16th July 2010

In exercise of powers conferred under paragraph 2.4 of the Foreign Trade Policy, 2009-2014, the Director General of Foreign Trade hereby makes the following amendments, in the Handbook of Procedures (vol.1) 2009-2014:-

1. It has been decided that 'Declaration of Intent' for claiming benefits under Chapter 3 of FTP shall be mandatory for all categories of shipping bills, including free shipping bills. In view of this, for exports made w.e.f 1st January 2011, the Paragraph 3.11.8 of HBP (vol.1) shall be replaced as under:

"For products/markets listed in Appendix 37A, 37C, 37D that are eligible for benefit under Chapter 3 of FTP, exporters shall declare their intention to claim benefit by stating in all categories of Shipping Bills as under:

'I/We, hereby, declare that I/We shall claim the benefits, as admissible, under Chapter 3 of FTP.'

This declaration shall also be required on export shipments under any of the Schemes of Chapter 4 or Chapter 5 or Chapter 6 of FTP as well as on Bills of Exports filed for Supply to SEZ. No claim under Chapter 3 shall be admissible without this declaration. However, Schemes names are not required to be mentioned in the declaration of intent.

Further, for products / markets notified during the year, the declaration of intent shall be necessary for exports under all categories of Shipping Bills only after a grace period of one month from the date of relevant Public Notice which notifies such product / market. For exports made prior to date of notification (i.e. the date of the relevant Public Notice which notified such product / market), such a declaration will not be required since export shipments have already taken place."

This issues in public interest.

Sd/-
(R.S.GUJRAL)
Director General of Foreign Trade
Ex-officio Special Secretary to Government of India

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